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UNITED STATES  
HOUSE OF REPRESENTATIVES

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**Congresswoman Betty McCollum**  
**Extension of Remarks**  
***Student Aid and Fiscal Responsibility Act (H.R. 3221)***  
**September 30, 2009**

Ms McCollum: Madam Speaker, I rise in strong support of the *Student Aid and Fiscal Responsibility Act* (H.R. 3221), which will end the giveaway of \$87 billion in corporate welfare to financial institutions for processing paperwork. Those funds instead will be reinvested to expand the Pell Grant program, increase assistance to community colleges, and support early learning to ensure more low-income children are prepared to start kindergarten. A savings of \$10 billion will also be used for deficit reduction.

H.R. 3221 terminates the Family Federal Education Loan (FFEL) program. Instead, all new federal student lending will originate through the existing Federal Direct Loan Program. This change will result a more reliable system for students and their families by avoiding risks in the private lending market, which were exposed in the recent financial crisis. Taxpayers will benefit from a more efficient student loan system because eliminating the unnecessary middleman will produce \$87 billion in savings for taxpayers over the next ten years.

The *Student Aid and Fiscal Responsibility Act* also makes strategic investments to allow more students to attend college and graduate with less debt. The Pell Grant Scholarship program is increased by \$40 billion. As a result, more than \$75.5 million in additional funding will be provided to students in Minnesota's Fourth Congressional District over the next decade. Additionally, this legislation strengthens and expands the Perkins Loan Program, and it helps families by simplifying the complicated and time-consuming Free Application for Federal Student Aid (FAFSA) – the bill enables families to apply for federal student aid using their tax form.

America's community colleges are another priority investment in H.R. 3221. At a time when millions of Americans are seeking new employment opportunities, this bill makes significant new funding available to retrain workers, prepare students for 21st century jobs and introduce students to post-secondary education. These investments will improve the quality of education for over 100,000 students that are enrolled in Minnesota community colleges.

This legislation is a historic opportunity to invest in education while, at the same time, reducing the federal deficit. Unfortunately, the Republican minority is trying to distract attention from the bill by offering a motion to recommit that prohibits federal funding to the Association of Community Organizations for Reform Now (ACORN). ACORN, a nonprofit organization that works to empower low-income Americans, does not receive \$1 of federal funding in H.R. 3221. ACORN is currently under investigation for possible wrong-doing – these inquiries should proceed and final judgments should be made. No organization found guilty of criminal conduct should continue to receive taxpayer support. However, it is inappropriate and likely unconstitutional for the House of Representatives to pre-judge the outcome of a formal investigation by prohibiting federal funding. I strongly urge my colleagues to join me in opposing this political ploy and in supporting passage of H.R. 3221.

I yield the balance of my time.